

SENATE JOURNAL

OF THE

IDAHO LEGISLATURE

SECOND REGULAR SESSION
SIXTY-THIRD LEGISLATURE

FIRST LEGISLATIVE DAY
MONDAY, JANUARY 11, 2016

Senate Chamber

At the hour of 12 p.m. on Monday, January 11, 2016, the time established for the convening of the Second Regular Session of the Sixty-third Idaho Legislature, the members of the Senate convened in the Senate Chamber of the Capitol in the City of Boise, President Brad Little presiding.

The following Certificate of Election was read by the Secretary of the Senate:

STATE OF IDAHO
OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF ELECTION

I, Lawrence Denney, Secretary of State of the State of Idaho and legal custodian of the records of elections held in the State of Idaho, do hereby certify that the following is a full, true, and complete list of those elected to serve as members of the Senate of the Second Regular Session of the Sixty-Third Legislature, as shown by official records on file in my office:

DISTRICT	NAME
1	Shawn A. Keough (R)
2	Steve Vick (R)
3	Bob Nonini (R)
4	Mary Souza (R)
5	Dan J. Schmidt (D)
6	Dan Johnson (R)
7	Sheryl L. Nuxoll (R)
8	Steven P. Thayn (R)
9	Abby Lee (R)
10	Jim Rice (R)
11	Patti Anne Lodge (R)
12	Todd Lakey (R)
13	Curt McKenzie (R)
14	Marv Hagedorn (R)
15	Fred S. Martin (R)
16	Grant Burgoyne (D)
17	Maryanne Jordan (D)
18	Janie Ward-Engelking (D)
19	Cherie Buckner-Webb (D)
20	Chuck Winder (R)
21	Clifford R. Bayer (R)
22	Lori Den Hartog (R)
23	Bert Brackett (R)
24	Lee Heider (R)
25	Jim Patrick (R)

26	Michelle Stennett (D)
27	Kelly Anthon (R)
28	Jim Guthrie (R)
29	Roy Lacey (D)
30	Dean M. Mortimer (R)
31	Steve Bair (R)
32	Mark R. Harris (R)
33	Bart M. Davis (R)
34	Brent Hill (R)
35	Jeff C. Siddoway (R)

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Idaho. Done at Boise, the Capitol of Idaho, this Sixth day of January, in the year of our Lord, Two Thousand and Sixteen, and of the Independence of the United States of America, the Two Hundred and Fortieth.

/s/ LAWRENCE DENNEY
Secretary of State

The Certificate of Election was ordered filed in the office of the Secretary of the Senate.

Roll call showed all members present except Senator Ward-Engelking, absent and formally excused by the Chair. [District 27 vacant, District 32 vacant]

Prayer was offered by Father John Worster, Saint Mary's Catholic Church, Boise Idaho.

On request by Senator Davis, granted by unanimous consent, the Sergeant at Arms, Sarah Jane McDonald, escorted the Boise Police Department Honor Guard into the Senate Chamber to present and post the colors for the Second Regular Session of the Sixty-third Idaho Legislature.

The Pledge of Allegiance was led by Sarah Jane McDonald.

On request by Senator Davis, granted by unanimous consent, the Assistant Sergeant at Arms, Jerry Csutoras, escorted the Nampa High School Chamber Singers into the Senate Chamber for the purpose of singing *The Star Spangled Banner* and *America Our Heritage*. The choir was directed by Jesse Ledbetter.

President Pro Tempore Hill provided a brief history of the Idaho State flag flown over the domes of the House and Senate Chambers during each session of the Legislature. He explained that the flags represent the spirit of our citizens and serve as a symbol of Idaho's sovereignty. They further serve notice to the State that the Legislature, the elected representatives of all the citizens of Idaho, is in session. The flags are raised when the Legislature convenes and will be retired when the Legislature adjourns *sine die*.

President Little presented the Idaho State flag to the Honor Guard to be raised above the Senate Chamber to fly during the Second Regular Session of the Sixty-third Idaho Legislature and the Honor Guard exited the Chamber.

On request by Senator Davis, granted by unanimous consent, the Senate advanced to the Fourth Order of Business.

Reading of Communications

June 10, 2015

Senator Brent Hill,
President Pro Tempore
Idaho State Senate

Dear Pro Tempore Hill,

I am writing to formally resign my position as the State Senator representing District 27 in the Idaho State Senate as of the end of the day on June 14th, 2015.

Serving in the State Senate has been an incredible experience. It has been truly an honor to represent the citizens of Minidoka and Cassia County. I will always be grateful for their trust, confidence and support. I am also humbled and privileged to have served with so many honorable, dedicated, and selfless men and women.

While I will miss serving in Senate, I am excited and honored to accept an appointment by Governor Otter as the Director of the Department of Insurance effective June 15th, 2015.

Thank you for your leadership, guidance and friendship. I will be forever grateful for your steady, calm, reasonable demeanor. I have every confidence in the talented Senators who will assume my responsibilities and committee assignments. I will do my best to assure a smooth transition in all aspects.

With admiration and respect,
/s/ Dean L Cameron
District 27

The correspondence will be filed in the Office of the Secretary.

June 18, 2015

Brent Hill
President Pro Tempore
Idaho State Senate

Dear Pro Tem Hill:

I write to inform you that subsequent to my appointment by Governor Otter to the director's position at the Idaho Department of Environmental Quality, I hereby resign my position as State Senator, district 32, effective July 5, 2015.

It is with mixed emotions that I leave the Senate for this new opportunity. I have greatly enjoyed my service in the Senate. I have found the issues to be interesting and of great importance to the people of this state. I have appreciated the opportunity to serve my constituents, to get to know them much better, and to help them resolve issues of concern and interest to them. I have enjoyed my association with my colleagues in the Senate, and have come to appreciate the high quality of men and women who serve in that body. I have been impressed with the quality of leadership in the Idaho Senate, and appreciate your true public-servant attitude and your integrity.

I recognize the high level of trust I was given when my constituents chose me to serve, and I have taken that responsibility very seriously. I will be forever grateful for having had this opportunity.

I am now excited about the opportunity to serve in a new capacity, and I look forward to continued association with you and my Senate colleagues as I interface with you on issues related to the Department of Environmental Quality.

God bless you and the Idaho Senate.

Kindest regards,
/s/ John H. Tippets

The Correspondence will be filed in the Office of the Secretary.

On request by Senator Davis, granted by unanimous consent, the Senate advanced to the Eighth Order of Business.

Messages from the Governor

July 2, 2015

The Honorable Brad Little
President of the Senate
Idaho Legislature

Dear Mr. President:

I have the honor to inform you that I have appointed Kelly Anthon of Declo, Idaho, to the office of State Senator for Legislative District 27, Cassia and Minidoka Counties, State of Idaho.

This appointment is effective Thursday, July 2, 2015, and will continue until the next general election when the term of office expires.

As Always - Idaho, *Esto Perpetua*
/s/ C.L. "Butch" Otter
Governor

THE OFFICE OF THE GOVERNOR EXECUTIVE DEPARTMENT BOISE, IDAHO CERTIFICATE OF APPOINTMENT

KNOW ALL MEN, that pursuant to the provisions of Section 59-904A, *Idaho Code*, the District 27 Legislative Committee of the Republican Party has submitted a list of three names for consideration in filling a vacancy in the Idaho State Senate.

NOW, THEREFORE, I, C.L. "Butch" Otter, Governor of the State of Idaho, by virtue of the authority vested in me do hereby appoint Kelly Anthon, of Declo, Idaho, to the office of State Senator, District 27, for a term commencing on July 2, 2015, and continuing until the next general election when the term of office expires.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho in Boise on this 2nd day of July in the year of our Lord two thousand and fifteen and of the Independence of the United States of America the two hundred fortieth and of the Statehood of Idaho the one hundred twenty-sixth.

/s/ BY THE GOVERNOR C.L. "BUTCH" OTTER
/s/ SECRETARY OF STATE LAWRENCE DENNEY

The correspondence and Certificate of Appointment were ordered filed in the office of the Secretary of the Senate.

The President announced that the Oath of Office had been administered previously to Senator Anthon, and he was recorded present at this order of business.

July 22, 2015

The Honorable Brad Little
President of the Senate
Idaho Legislature

Dear Mr. President:

I have the honor to inform you that I have appointed Mark R. Harris, Soda Springs, Idaho, to the office of State Senator for

Legislative District 32, Bear Lake, Bonneville, Caribou, Franklin, Oneida, & Teton Counties, State of Idaho.

This appointment is effective Wednesday, July 22, 2015, and will continue until the next general election when the term of office expires.

As Always - Idaho, *Esto Perpetua*
/s/ C.L. "Butch" Otter
Governor

THE OFFICE OF THE GOVERNOR
EXECUTIVE DEPARTMENT
BOISE, IDAHO
CERTIFICATE OF APPOINTMENT

KNOW ALL MEN, that pursuant to the provisions of Section 59-904A, *Idaho Code*, the District 32 Legislative Committee of the Republican Party has submitted a list of three names for consideration in filling a vacancy in the Idaho State Senate.

NOW, THEREFORE, I, C.L. "Butch" Otter, Governor of the State of Idaho, by virtue of the authority vested in me do hereby appoint Mark R. Harris, of Soda Springs, Idaho, to the office of State Senator, District 32, for a term commencing July 22, 2015, and continuing until the next general election when the term of office expires.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho in Boise on this 22nd day of July in the year of our Lord two thousand and fifteen and of the Independence of the United States of America the two hundred fortieth and of the Statehood of Idaho the one hundred twenty-sixth.

/s/ BY THE GOVERNOR C.L. "BUTCH" OTTER
/s/ SECRETARY OF STATE LAWRENCE DENNEY

The correspondence and Certificate of Appointment were ordered filed in the office of the Secretary of the Senate.

The President announced that the Oath of Office had been administered previously to Senator Harris, and he was recorded present at this order of business.

On request by Senator Davis, granted by unanimous consent, the Senate advanced to the Tenth Order of Business.

Motions and Resolutions

On request by Senator Davis, granted by unanimous consent, President Little appointed a committee consisting of Senator Martin, Chairman, and Senator Lacey to escort the committee from the House of Representatives into the Senate Chamber. Representatives Barbieri, Crane, and Rubel informed the Senate that the House is now organized and ready to conduct business.

The Senate committee was discharged.

On request by Senator Davis, granted by unanimous consent, President Little appointed a committee consisting of Senator Johnson, Chairman, and Senators Anthon and Schmidt to notify the Governor that the Senate is now organized and ready to conduct business.

The committee was excused.

On request by Senator Davis, granted by unanimous consent, President Little appointed a committee consisting of Senator Patrick, Chairman, and Senators Harris and Jordan to notify the

House of Representatives that the Senate is now organized and ready to conduct business.

The committee was excused.

The committee appointed to wait upon the Governor returned and reported that the Governor sent his best wishes to the Senate members.

The committee was discharged.

The committee appointed to wait upon the House of Representatives returned and reported that they had conveyed the message to the House and the House expressed their best wishes for a productive session.

The committee was discharged.

On request by Senator Davis, granted by unanimous consent, the Senate returned to the Ninth Order of Business.

Messages from the House

January 11, 2016

Dear Mr. President:

I transmit herewith [HCR 27](#), which has passed the House.

ALEXANDER, Chief Clerk

[HCR 27](#) was filed for first reading.

On request by Senator Davis, granted by unanimous consent, the Senate advanced to the Eleventh Order of Business.

**Introduction, First Reading, and Reference of Bills,
House Petitions, Resolutions, and Memorials**

[HCR 27](#), by Moyle, Rusche, was introduced and read at length.

Moved by Senator Davis, seconded by Senator Stennett, that all rules of the Senate interfering with the immediate consideration of [HCR 27](#) be suspended. The question being, "Shall the rules be suspended?"

Roll call resulted as follows:

AYES—Anthon, Bair, Bayer, Brackett, Buckner-Webb, Burgoyne, Davis, Den Hartog, Guthrie, Hagedorn, Harris, Heider, Hill, Johnson, Jordan, Keough, Lacey, Lakey, Lee, Lodge, Martin, McKenzie, Mortimer, Nonini, Nuxoll, Patrick, Rice, Schmidt, Siddoway, Souza, Stennett, Thayn, Vick, Winder. Total - 34.

NAYS—None.

Absent and excused—Ward-Engelking. Total - 1.

Total - 35.

More than two-thirds having voted in the affirmative, the President declared the rules suspended and announced that [HCR 27](#) was before the Senate for final consideration.

On motion by Senator Davis, seconded by Senator Stennett, [HCR 27](#) was adopted by voice vote, title was approved, and the resolution ordered returned to the House.

On request by Senator Davis, granted by unanimous consent, the Senate advanced to the Twelfth Order of Business.

Second Reading of Bills

On request by Senator Davis, granted by unanimous consent, the Senate went at ease for the purpose of attending a joint session to hear the Governor's State of the State and Budget Address.

JOINT SESSION

Pursuant to **HCR 27**, the hour of 1 p.m. having arrived, the members of the Senate entered into the House Chamber and met in Joint Session with Speaker Bedke presiding.

Roll call of the House showed all members present.

Roll call showed all members present except Senator Ward-Engelking, absent and formally excused by the Chair.

Prayer was offered by House Chaplain Tom Dougherty.

On request by Representative Crane, granted by unanimous consent, the Speaker appointed three committees to wait upon the Supreme Court Justices and Appellate Court Judges, the elected officials, and the Governor and escort them to the House Chamber.

The Speaker appointed Senators Lodge and Burgoyne and Representatives Wills and Gannon as the committee to wait upon and escort the Supreme Court Justices and Appellate Court Judges to the House Chamber.

The Speaker excused the committee.

The Speaker appointed Senators Winder and Buckner-Webb and Representatives Gibbs and Wintrow as the committee to wait upon and escort the elected officials to the House Chamber.

The Speaker excused the committee.

The Speaker appointed Senators Davis and Stennett and Representatives Moyle and Erpelding as the committee to wait upon and escort the Governor to the House Chamber.

The Speaker excused the committee.

The committees appointed by the Speaker returned and escorted the Supreme Court Justices, Appellate Court Judges, the elected officials, and the Governor into the House Chamber where they were presented to the Joint Session by the Speaker.

The Speaker introduced His Excellency, the Governor of the State of Idaho, C.L. "Butch" Otter, and the following **State of the State and Budget Address** was delivered by the Governor:

Mr. Speaker, Mr. President, Honorable Justices and Judges, my fellow constitutional officers, distinguished legislators and members of my Cabinet, honored guests, friends, my family and our First Lady, my fellow Idahoans.

I'm pleased to report today that the State of Idaho is healthy and strong. The people are optimistic. Our communities are vibrant. Our public institutions are running more efficiently and are better prepared than ever to tackle our challenges head on. Idaho citizens are bringing all the energy, enthusiasm and independence that characterize our history to the work of building an even better state for our children and our grandchildren.

And speaking of grandchildren, I'm also pleased to report that the Otter family is expanding. Our son John and his wife Molly are expecting a new grandchild for us to enjoy. I'm excited about the arrival! Of course, all my children and grandchildren are dear to me – a family sentiment and an Idaho

value that I'm sure we all share. Our families inspire us to keep working hard to provide them with a legacy of lifelong learning, an appreciation for honest effort, and abiding compassion for those less fortunate.

One of the most inspiring and energizing parts of my job is visiting towns all over Idaho to hold Capital for a Day. It's a chance for local folks who might not often come to Boise to get answers to their questions about State government directly from me and my agency directors. I want to thank all the legislators across Idaho who join us for these monthly public gatherings.

My favorite part of Capital for a Day is meeting students in towns like Kamiah and Albion. They represent their schools, families and communities with great civic pride. And that's no accident. It's a product of engaged parents, committed educators, and public officials from local school trustees to State leaders who embrace the goal of preparing Idaho's schoolchildren for an increasingly complex and competitive world.

Capital for a Day has strengthened my belief that Idaho's character reflects the aspirations of our children and families from generation to generation.

And just as families are the foundation of our communities and our culture, so too can education provide a foundation for stronger families and a brighter future for all of us.

We are entrusted with the singular constitutional responsibility of providing for a "general, uniform and thorough system of public, free common schools" throughout Idaho. Frankly, I'm convinced that we would see this as our highest priority even if it wasn't in our Constitution. So promoting and constantly improving education for the people of Idaho must be the foundation of our work together.

We made promises during the Great Recession that we are duty-bound to fulfill. We have priorities for Idaho's future that require world-class K-12 schools and an advanced, responsive post-secondary education system. And now, we have the financial means.

My legislative agenda for 2016 and my budget recommendations for fiscal 2017 reflect the priority that I place on living within the people's means while making responsible, sustainable and data-driven investments in our K-through-Career education system.

My focus is on supporting student achievement by continuing to responsibly implement the 20 recommendations of our School Improvement Task Force.

Along with insisting on transparency and robust local accountability, the foundation we're building will advance our goal of ensuring that 60 percent of Idaho citizens between the ages of 25 and 34 have a college degree or professional-technical certification by 2020.

Let me impress upon you once again the urgent need to address the cornerstone of successful lifelong learning – reading proficiency. Last year in this chamber I called on Idaho's business community to help us address the clear need for improving the attainment of that basic skill among our youngest students. Pro-active parents start that process at home before kindergarten, and students refine their reading skills in those early school years.

Through the third grade, they learn to read. But from the fourth grade on, they read to learn. So if we're serious about wanting long-term improvement in school outcomes, we must intensify our efforts to provide the kind of proven support that works for students who struggle to develop reading skills.

I want to thank Idaho Business for Education and other stakeholders and practitioners who developed recommendations for addressing our early reading challenges.

My budget includes \$10.7 million to pay for intervention support for students in kindergarten through third grade who are not yet proficient on the state reading indicator. That will improve the chances for more Idaho students to succeed through high school and beyond.

Overall, I'm calling for a 7.9-percent increase in public school funding, including more than \$38 million to continue putting the teacher career ladder in place.

And I'm asking for almost \$1.8 million to move such non-instructional school staff as counselors, nurses and speech pathologists onto the career ladder. I believe implementing the career ladder – based on specific student success measures – is essential to attracting and retaining the best teachers for Idaho schools.

Success in teacher retention also means continuing investment in their professional development. I know from Miss Lori just how demanding those early years in the classroom can be. So I'm asking for an investment of \$5 million for professional development aimed specifically at mentoring new teachers.

I also support Superintendent Ybarra's request to fully restore pre-recession levels of operating funds to school districts. Our Task Force recommended a five-year plan for that process. But the timeline can be cut to three years by approving my recommendation for nearly \$30 million.

Properly applied, technology also is an increasingly necessary factor in 21st century classroom success. That's why I'm recommending that we continue investing not only in devices but also in teacher training and software to make the most of the opportunities that technology affords.

But with or without the latest technology, the most important learning resource our students have is the classroom teacher.

With that in mind, the Task Force recommended moving Idaho to a voluntary "mastery-based" education system. That's one in which teachers are encouraged to provide individualized learning focused on mastery of subject-matter content and concepts rather than classroom "seat time."

I appreciate the Legislature's investment to start implementing mastery-based education, as well as Superintendent Ybarra's focus on achieving that goal. My fiscal 2017 budget includes \$1.1 million to support up to 20 school districts in developing model programs for others to follow throughout Idaho.

I had the chance last month to experience a little of what innovative, mastery-focused learning looks like in our

classrooms. I participated in an "Hour of Code" exercise with fifth-graders at Boise's Garfield Elementary. Immersing myself in that environment and watching students do the same, I saw firsthand the difference that individualized learning can make in comprehension, application and ultimately mastery.

From reading proficiency to mastering concepts and from our community colleges to our universities, our emphasis must be on going the extra mile to prepare students to succeed in a complex and competitive global economy. That preparation in turn will support and advance the economic growth and increased prosperity that we are all striving to achieve.

So let's talk for a moment about the connections we're building between "K-12" and "Career."

First, there's the STEM Action Center that's been up and running since July. An executive director, a program manager and a board of directors have been named.

Now it's ready for the next step, and our industry partners throughout Idaho are eager to join us in supporting its work.

My budget recommendation includes \$2 million in ongoing operating funds for the center, as well \$10 million in one-time funds for starting up STEM programs. Those include a K-through-Career program in computer science to help meet the high demand for those workplace skills.

Ensuring that students are college and career ready is as critical to employers as it is to Idaho's young people. I hear it every day from businesses large and small and in every industry sector.

That's why higher standards, more individualized learning, more dual-credit offerings, and more professional-technical options are high priorities in my budget recommendation.

Of course, taking the fullest advantage of the investments we're making will require students and parents to have more and better information about post-secondary and career opportunities. So I'm recommending that \$5 million go toward implementing more college and career counseling in our high schools. Local districts must have the flexibility to use that money to create systems that best fit students' needs for course counseling, career exploration and preparing for life after high school.

Indeed, Idaho offers many choices for those who "Go On." They include enrolling at one of our technical schools to study in such subject areas as health occupations, Web design, machine tooling, welding, or aircraft maintenance. But many of those programs have long waiting lists. And with our statewide jobless rate now at a level that used to be considered "full employment," too many of our citizens remain underemployed.

Meanwhile, Idaho businesses are struggling to find qualified workers. That's especially true of companies in the high-tech and industrial manufacturing fields. So my budget recommendation includes \$3.8 million to address those training backlogs in industry areas where graduates will find more high-wage jobs. I'm also advancing three initiatives that hold great promise for creating a financial foundation that students can use to reach their own and our state's post-secondary education goals.

First, I'm proposing a "tuition lock" for our colleges and universities. It will ensure the rate that Idaho undergraduates pay when they first enroll in a post-secondary program will remain constant for at least four academic years. That brings greater financial predictability for Idaho students and their families while also providing an incentive for timely completion of a degree or professional certification program.

Second, I'm recommending a \$5 million increase in funding for our Opportunity Scholarship so more Idaho students can afford to go beyond high school.

And third, I'm proposing that another \$5 million be allocated for the new "Completion Scholarship." It's designed to encourage Idaho citizens who have some post-secondary education to return to the classroom and finish up. It will provide a real benefit for financially strapped adults who are trying to upgrade their job skills.

The Completion Scholarship is aimed at improving access and affordability to career-oriented education programs while helping to address our pressing workforce development needs.

Ladies and gentlemen, I just can't emphasize enough how important improving our K-through-Career education system is to providing the tens of thousands of skilled workers we need to meet the increasingly technical demands of Idaho employers. This truly is an investment in the future of all our citizens.

Talent pipelines to address the challenges ahead are being developed by the Department of Labor, the Division of Professional-Technical Education, our post-secondary schools and a number of private-sector partners. Dynamic new online resources such as the college and career Web site NextSteps.Idaho.gov and the construction trades portal WeBuildIdaho.org show the power of collaboration in achieving our shared goals.

There also is an important place for communities in this effort. Nine years ago, the Legislature approved my request to provide \$5 million in startup funds to help any counties that want to join together in establishing a community college district. With that promise of support in hand, the people of Ada and Canyon counties voted to create the College of Western Idaho. Since then, CWI has grown faster than any community college in American history.

That speaks to a huge pent-up demand for the kind of lower-cost, relevant and responsive education and training programs that have been created at CWI. Now the people of southwestern, south-central and northern Idaho have exciting, first-rate local opportunities to advance their career readiness aspirations.

So today I'd like to invite the people of eastern Idaho to advance their ongoing discussions about making Eastern Idaho Technical College a full-featured community college. I encourage serious public consideration of the benefits and opportunities that a local community college can provide to that region of Idaho. My budget recommendation includes \$5 million to support such a plan for making less-costly and more-flexible education beyond high school accessible to more citizens on that side of our state.

Overall, I'm seeking a 9.6-percent increase in funding for

our community colleges and an 8.8-percent increase for our four-year institutions.

Besides additional funding for our college completion and high-demand academic and professional-technical programs, I recommend expanding Boise State University's materials science program, the University of Idaho's "Go On" initiative to increase enrollment, and Idaho State University's health science programs.

That brings me to healthcare. First, from an education standpoint: I'm recommending that in the coming year we follow through on our plan for providing more physician training to meet Idaho's needs. Adding five more seats to our medical school partnership with the University of Washington will reach the Board of Education's 2009 goal of having 40 seats available for Idaho students.

That's a great investment in our students and an important step toward addressing our community healthcare needs. But it also is a pipeline from which it takes years to realize benefits. There are quicker ways to address our shortage of primary care physicians. So I encourage you to keep funding our physician residency slots. And we must keep attracting healthcare professionals by providing medical loan reimbursement incentives for primary care doctors who agree to serve our rural communities.

In the meantime, I'm asking the Board of Education to work with our medical community and higher education institutions to develop a new plan for addressing future demand for healthcare providers.

Right now I want to recognize and applaud a member of my Cabinet who has worked tirelessly for years to develop meaningful Idaho-based alternatives to Medicaid expansion under the Affordable Care Act. Health and Welfare Director Dick Armstrong and his team – as well as such legislative leaders as Representative Fred Wood and Senator Lee Heider – have gone above and beyond in developing the plan we unveiled last week. I look forward to our discussions on that option.

Folks, making healthcare in our communities more accessible and affordable has been a pillar of my policy agenda since I took office in 2007. That's why I'm so proud of the progress we're making in addressing local crisis intervention needs for those with acute substance abuse or mental health issues.

With your support we now have behavioral health crisis centers in Idaho Falls and Coeur d'Alene. The response in those communities has been more than encouraging. During the first nine months that the Idaho Falls center was open, it had more than 1,100 admissions and diverted 47 people from more expensive in-patient psychiatric care – all while saving an estimated 860 hours of law enforcement officers' time.

I expect to see similar results from the northern Idaho crisis center. So my budget recommendation for fiscal 2017 includes funding for a third crisis center, this time in southern Idaho. I appreciate the Legislature's continued backing of our efforts to improve local access to care while reducing costs to the community. It remains our goal to engage local leaders, businesses and non-profits in supporting long-term sustainability.

I'm sure you will agree that sustainability is a significant

goal and a key metric of success for much of our public policy, including our management of Idaho's precious water resources.

Mr. Speaker, Senator Bair and Chairman Chase of the Idaho Water Resource Board, I want to personally thank you for your efforts in bringing two water-user groups together to finally settle delivery calls from the Eastern Snake Plain Aquifer.

This historic settlement between the Surface Water Coalition and groundwater users will help ensure that the aquifer is a healthy and reliable resource now and well into the future. In fact, I would encourage others who are at odds over apportioning scarce resources to use this agreement as a template for addressing their own conflicts.

Sustainability is a central value throughout Idaho, from the Treasure Valley to the Rathdrum Prairie and from Bear Lake to Hells Canyon. That's why I'm proud to announce that the Water Resource Board has drafted a statewide sustainability policy. The Board will conduct public meetings throughout Idaho in the coming year to gather suggestions on incorporating its findings into our Comprehensive State Water Plan.

Preserving and protecting Idaho's water is crucial to our continued economic growth and increased prosperity. Our renewable and "green" hydroelectric resources alone make Idaho the envy of other states in the West and a magnet for businesses that put a premium on environmental sustainability.

Promoting Idaho as a place where employers can get things done because government moves at the speed of business has been a centerpiece of Commerce Director Jeff Sayer's work for the past four years.

As you know, Jeff has returned to the private sector. But the team he's built and the programs he's launched will continue to have a great impact on Idaho's bottom line. From IGEM to the Tax Reimbursement Incentive and from international trade to local economic development, Jeff has been a champion for the people of Idaho. Please join me in thanking him for helping Idaho rank first in the nation for job growth, sixth among states for economic outlook, and among the top states for starting a small business.

There is one additional responsibility that Jeff took on. He chaired my Leadership in Nuclear Energy or LINE Commission. Its continuing task is to identify how Idaho can leverage our partnership with the U.S. Department of Energy at the Idaho National Laboratory to the economic advantage of Idaho citizens. Our LINE Commission efforts are not limited to eastern Idaho. Instead, they are aimed at making the state-of-the-art facilities and research at the INL into a truly global resource.

The State of Idaho remains committed to helping the INL live up to its potential as the nation's premier research facility while building a stronger partnership with the Department of Energy based on communication, accountability and shared goals.

That's why I was encouraged in November to hear that a team at the INL will lead the new Gateway for Accelerated Innovation in Nuclear. The GAIN program will provide a one-stop-shop for private developers to find federal experts and facilities to help them create safer, cleaner and more efficient reactors to reduce the emission of greenhouse gasses.

Ladies and gentlemen, having shared goals does not eliminate the need for us to remain vigilant in protecting the health and safety of Idaho citizens. But we have spent years overcoming past challenges in our relationship with the Department of Energy, and I'm proud of our progress.

The scientists, engineers and technology experts at the Lab also run one of the world's pre-eminent cybersecurity programs. Idaho is fortunate that the INL and its higher education and industry partners are providing technical assistance to the cybersecurity task force I created last year.

Led by Lieutenant Governor Little, it is developing responses to the growing threat of hackers exploiting our State computer systems. I am committed to implementing the best strategies possible to protect the privacy of our citizens.

Our task force is working to identify what more the State can do to detect vulnerabilities, prevent cyberattacks, mitigate damages and educate the people of Idaho on how to fight this global tool of crime and terror. To help with that effort, my budget includes a request for \$1 million to establish a cybersecurity program at Boise State University in partnership with the Idaho National Laboratory.

The State also will benefit from our own Idaho military being engaged in this fight. I'm pleased to announce today that the Idaho Air National Guard recently was among 13 Guard commands nationwide to be designated as "cyber units." That means personnel trained to military standards in the latest and most advanced technology will be helping detect and stop online attacks before they damage our cyberspace capabilities.

The Idaho Cyber Operations Squadron will include 71 Air Guard personnel, including 15 who will be working full-time on this important new mission. The Squadron also will be a great resource for our efforts to protect a vital piece of our State infrastructure.

It's encouraging that we are tackling this modern threat with such unity of purpose. But there is another area of our public policy for which a united and deliberate effort must now be made for Idaho to meet its responsibilities to the rule of law.

As many of you know, the State has been sued over the constitutionality of our public defense system. The lawsuit alleges that Idaho's public defenders are overworked and under-trained. It claims that the system provides a disincentive for attorneys in less-populated counties to spend enough time with indigent clients.

Let me say that Idaho historically has been a leader in recognizing and ensuring the right to legal counsel. It was part of our territorial law and was put in the Idaho Constitution at statehood.

A legislative interim committee has been reviewing our system and considering options for three years. As a result, many of us now have a better understanding of its shortcomings and what needs to be changed. It's not a cheap or easy fix. But I stand with the Idaho Criminal Justice Commission and the State Public Defense Commission in calling on the Legislature to address the issue this year.

Please join me in a commitment to ensuring that all Idaho citizens in every one of our 44 counties can avail themselves of

this fundamental constitutional right. My budget recommends \$5 million to implement the changes that you approve.

The past year saw a number of changes on the ground across Idaho as wildfire continued to wreak havoc on our forests and rangelands. A total of 742,000 acres burned, and firefighting costs reached almost \$61 million in 2015. State, federal and local authorities have identified several training, resource and coordination needs that we must address before the start of a 2016 fire season that figures to be just as bad or worse. That's why I'm advancing the Land Board's request for almost \$920,000 in additional funding to beef up the Idaho Department of Lands' wildfire program with a focus on improving initial response.

I also want to thank the Legislature for approving my past funding requests for creation of Rangeland Fire Protection Associations, which enable ranchers to help fight fires on both private and public range. We have six of them now protecting 951,000 acres of private rangeland and providing secondary protection on 4.8 million acres of federal and State land. Their knowledge of the landscape has proven to be an invaluable asset to the Department of Lands, the Bureau of Land Management and the Forest Service in quickly suppressing wildfires. Now more groups around the state are seeing the results and are ready to get involved. So I'm requesting \$140,000 to create additional RFPAs in anticipation of another rough fire season.

People all over the world – and maybe even a few in Washington, D.C. – know that wildfire is a far greater threat to Idaho's sage-grouse population than livestock grazing. But that reality has largely eluded the U.S. Department of Interior, the BLM and the Forest Service. Instead of taking the reasonable step of supporting local conservation and Idaho stewardship measures, Interior imposed harsh new restrictions on land use within the bird's habitat – in some cases where they don't even exist!

That left me with no choice but to file a lawsuit against the federal agencies last September. It's simply aimed at ensuring that sage-grouse conservation and management responsibilities remain with Idaho. I'm grateful to the Legislature for joining me in that effort. In the meantime, we will continue working more broadly to protect the Idaho habitat on which sage-grouse depend. My budget request calls for allocating \$500,000 for fire prevention, suppression, and habitat monitoring and restoration efforts on non-federal lands. I appreciate your continued support of our collaborative efforts to put in place a reasonable, responsible and effective species protection plan – with the customs, culture and economic vitality of our citizens in mind.

Let me also express my deep and sincere appreciation to our incredible State employees throughout Idaho. I enjoy visiting our agency offices from time to time, and I'm consistently impressed with the commitment and civic virtue with which our employees do their jobs. They take great pride in being public servants and in being responsive to the needs of Idaho citizens. That's why I'm so pleased to be able to announce today that my budget request includes funding for agency directors and administrators to retain and reward their personnel. It's a step in the right direction toward attracting and keeping great public servants.

We have a lot to appreciate here in Idaho, and we are building the foundation for even better things to come. I hope you will join me in choosing gratitude for what we have and hope for our path forward over frustration and cynicism at what

we have yet to achieve.

In fact, I believe Idaho now is closer than anywhere in our nation to what America was meant to be.

Finally, it is my sincere wish that we undertake our work together in this legislative session without keeping one eye on the upcoming election. Instead, let us proceed with a focused commitment to applying government's proper role to our current challenges and to improving the lives of generations to come.

Thank you for your time and attention. Godspeed in your deliberations, and may He continue to bless the great State of Idaho and the United States of America.

The Speaker thanked Governor Otter for his message.

The committees came forward and escorted the Governor, the Supreme Court Justices, Appellate Court Judges, and the elected officials to their chambers and offices respectively, and were, on their return, thanked and discharged by the Speaker.

On motion by Representative Moyle, seconded by Representative Erpelding, by voice vote the State of the State and Budget Address was ordered spread upon the pages of the House and Senate Journals.

On motion by Representative Moyle, seconded by Representative Erpelding, by voice vote the Joint Session was dissolved.

The appointed committee came forward and escorted the Senators from the House Chamber.

The members of the Senate returned to the Senate Chamber.

On request by Senator Davis, granted by unanimous consent, the Senate returned to the Tenth Order of Business.

Motions and Resolutions

On motion by Senator Davis, seconded by Senator Stennett, by voice vote the following committee assignments were approved for the Second Regular Session of the Sixty-third Idaho Legislature:

AGRICULTURAL AFFAIRS (9)

Rice, Chairman

Bayer, Vice Chairman

Patrick

Souza

Lee

Den Hartog

Harris

Ward-Engelking

Burgoyne

COMMERCE AND HUMAN RESOURCES (9)

Patrick, Chairman

Martin, Vice Chairman

Lakey

Guthrie

Heider

Rice

Thayn

Schmidt

Ward-Engelking

EDUCATION (9)

Mortimer, Chairman

Thayn, Vice Chairman

Nonini
Patrick
Souza
Den Hartog
Anthon

Buckner-Webb
Ward-Engelking

Winder
Nonini
Vick
Den Hartog

Lacey

FINANCE (10)
Keough, Chairman
Johnson, Vice Chairman

Bair
Mortimer
Brackett
Nuxoll
Thayn
Guthrie

Schmidt
Lacey

At this time, the Senators selected their seats pursuant to Senate Rule 3(B). On request by Senator Davis, granted by unanimous consent, the seats, as presently occupied, were permanently assigned to the Senators for the Second Regular Session of the Sixty-third Idaho Legislature.

On request by Senator Davis, granted by unanimous consent, the Senate advanced to the Fifteenth Order of Business.

Miscellaneous Business

On motion by Senator Davis, seconded by Senator Stennett, by voice vote, the Senate adjourned at 2:20 p.m. until the hour of 11 a.m., Tuesday, January 12, 2016.

BRAD LITTLE, President

Attest: JENNIFER NOVAK, Secretary

HEALTH AND WELFARE (9)
Heider, Chairman
Nuxoll, Vice Chairman

Lodge
Hagedorn
Martin
Lee
Harris

Schmidt
Jordan

JUDICIARY AND RULES (9)
Lodge, Chairman
Nonini, Vice Chairman

Davis
Johnson
Souza
Lee
Anthon

Burgoyne
Jordan

LOCAL GOVERNMENT AND TAXATION (9)
Siddoway, Chairman
Guthrie, Vice Chairman

McKenzie
Johnson
Rice
Vick
Bayer

Stennett
Burgoyne

RESOURCES AND ENVIRONMENT (9)
Bair, Chairman
Vick, Vice Chairman

Siddoway
Heider
Nuxoll
Bayer
Hagedorn

Stennett
Lacey

STATE AFFAIRS (9)
McKenzie, Chairman
Lodge, Vice Chairman

Davis
Hill
Winder
Siddoway
Lakey

Stennett
Buckner-Webb

TRANSPORTATION (9)
Brackett, Chairman
Hagedorn, Vice Chairman

Keough

Buckner-Webb